160 North LaSalle ♠ Suite 300 ♣ Chicago, Illinois 60601 ♥ tel 312/814-4700 ♦ fax 312/814-4602

Dear Video Gaming Licensed Location Applicant:

If you are located in a municipality that does not prohibit video gaming, your application will be processed and assigned to the IGB Investigations Division. A background investigation will be conducted on individuals and entities disclosed in your application, which will include but is not limited to the following:

- Criminal record check via fingerprint examination;
- Tax compliance check with the Illinois Department of Revenue;
- Compliance check with the Illinois Liquor Control Commission;
- Contact with your local liquor licensing authority and local law enforcement agency; and
- Inspection of the location premises to ensure it meets the requirements under the Video Gaming Act and the IGB's Adopted Rules, and to ensure no illegal games commonly referred to as gray games are present.

If the criminal record check reveals no statutorily disqualifying findings, you will be contacted by an IGB Agent and informed of the date and time of your location inspection. Failure to keep the appointment will delay the processing of your application. Your designated Video Gaming Manager must be present at the inspection. As an applicant, you have an obligation to cooperate and answer truthfully all questions posed by IGB Agents. At the time of inspection you should:

- Have the following items available for IGB Agents:
 - o A copy of your current State of Illinois liquor license;
 - o Keys to open <u>all</u> areas of the location, including but not limited to all storage areas (attached and detached from the premises), basements, closets, structures, etc.
 - o A copy of your Use Agreement with a Terminal Operator (if you have already entered into one).
- Be prepared to discuss and demonstrate to IGB Agents:
 - The proposed placement of Video Gaming Terminals in the premises, including how the games will be segregated from underage patrons (if underage patrons are allowed in the establishment); and
 - o How the location intends to prevent underage gaming.

Simulated video gaming devices on the premises, whether owned personally or through a second party, that are equipped with a credit reset mechanism or meter are <u>not</u> allowed on the premises and should not be re-installed at any time. It is currently a misdemeanor violation under the Illinois Criminal Code to possess such machines, and will become a felony violation 30 days after video gaming goes live. If such gaming devices are found on the premises, the IGB may consider this grounds for denial of your license.

Locations may continue to possess crane games, vending machines, and coin-in-the-slot games and redemption machines as defined in Section 28 of the Illinois Criminal Code.

At the conclusion of the investigation of your application, the Board will decide on licensure. Licensing decisions are posted on the IGB website (www.igb.illinois.gov) within 24 hours of the Board meeting at which the decision was made. Please check the IGB website for a schedule of future Board meetings.

If licensed, you will be contacted by Scientific Games International ("SGI"), the IGB's video gaming central system vendor, regarding the installation of SGI's site controller. The site controller is necessary to connect your location's IGB-approved video gaming devices to the central system.

The Illinois video gaming industry is highly regulated. As an applicant, your potential Licensed Location, its Owners and its designated Video Gaming Manager have a continuing obligation to cooperate with the IGB, report any misconduct, and obey all rules and regulations of the IGB and all criminal statutes. IGB Agents and the Illinois State Police will conduct enforcement duties subsequent to licensure. Unannounced inspections by the IGB will be a continuous process as long as you remain a Licensed Location. Violations of the Video Gaming Act, the IGB Adopted Rules or the Illinois Criminal Code may have disciplinary consequences up to and including license revocation. You may also be subject to criminal prosecution.

Should you have questions concerning the IGB licensing process, please review the Frequently Asked Questions posted on the IGB's website. If you cannot find the answer to your question contact the IGB at (312) 814-4700.

Sincerely,

Illinois Gaming Board